

## Rewald says FBI off mark

Ronald Rewald, whose associate Sunlin "Sunny" Wong confessed Thursday to participating in scheme to defraud 400 investors of \$22 million, said yesterday he does not expect to be indicted.

Rewald, the founder of the defunct investment firm of Bishop, Baldwin, Rewald, Dillingham & Wong, said in an interview with KHON-TV that he knew Wong had made a deal with the federal government "many months ago."

Wong pleaded guilty to two counts of mail and securities fraud and agreed to testify against everyone else involved, in return for a government promise not to bring additional charges.

"We knew that they had to bring down some type of indictment," Rewald said. "After all, (Wong) was the chief executive officer and president of the company. And too many employees and people involved in the operation identified him as having run a good part of the operations."

Rewald said, despite Wong's deal and agreement to testify, he didn't expect to be

charged.

"The grand jury that's been meeting, they're not even talking to any of the key people involved in the operations of the company . . . All they've talked to is secretaries, file clerks, receptionists. They focused on that area," he said.

The government says it has interviewed hundreds of witnesses, including almost everyone who ever invested in the company, and reviewed thousands of documents.

But Rewald said the probers have missed the mark. "Unless they're going to get involved in what was really happening, they're a long ways away . . . from being able to bring out any indictments unless they are just going to focus in that one area and really don't care . . . what the whole case was about."

Rewald said "massive lawsuits" will be filed in the next week or two against government attorneys and FBI and IRS investigators "that have been making just ridiculous representations out there."

— By Walter Wright



**Ronald Rewald**  
*Says he won't be indicted*

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## Guilty Pleas Restore Reality to Fraud Case

Sunlin "Sunny" Wong's plea of guilty to a number of federal charges involving Bishop, Baldwin, Rewald, Dillingham & Wong is an important step toward achieving justice in the Hawaii investor fraud case that has attracted worldwide attention.

We hope it will also reinforce the rule of reason in the community's view of this unhappy case. Wong was president of the firm, whose leader, Ronald Rewald, has sought to cloak himself in the protective mantle of the Central Intelligence Agency. By so doing, Rewald may have woven the illusion of secret, but official, government approval for the mystery and deceit that characterized his exotic investment schemes.

Scores of people, including many well-intended investors, lost millions of dollars in what has since been documented as a "Ponzi" scheme that contributed largely to the Rewald family lifestyle as much as anything else.

We proceeded cautiously last August when we first published reports of the Rewald firm's curious operations. Quickly, as Rewald's key people went public with their resignations, it became apparent that early suspicions about the firm, including the names on its letterhead, were well-founded. The unraveling of the Rewald concern and the exposure of its methods were dramatic.

A number of well-connected people, many of whom should have known better, were taken in by the Rewald mystique. Some of the victims included retired officials of the military and intelligence communities. The presence of their stationery in the Rewald files may be all that is needed to convince some that Rewald was running his investment firm as a front for the CIA. Others may be persuaded that Rewald's evasiveness in itself adds credence to claims of an intelligence role.

If invoking national security is to be Rewald's grand defense of his actions, he's entitled to try it. Organizations, including some of our colleagues in the overseas news media, are entitled to believe it. But well-informed agencies, such as the U.S. Senate Committee on Intelligence, say any connection between Rewald and the CIA was not significant.

Further, we wonder about those who seem willing to buy Rewald's CIA scenario, even assuming it were true, as a justification of his firm's excesses and its treatment of investors.

The Wong pleadings ought to remind us what this case is all about: mail fraud, securities fraud, and the ripping off of \$22 million from those who, wisely or not, invested their money in good faith.